

## Agency 709 – Fiscal 2017 Annual HUB Report Supplemental Letter

Texas A&M University Health Science Center is committed to providing a good faith effort to initiate, develop and implement a fair, open and inclusive procurement process that values and advocates the broadest possible Historically Underutilized Business (HUB) participation. Texas A&M Health Science Center continues to maintain a successful community outreach effort on behalf of its many components located throughout the state.

The following is a partial listing of outreach activities conducted in FY 2017:

- Actively participated in regional and statewide HUB meetings
- Actively cosponsored and attended in-house specialized economic opportunity meetings
- Assisted qualified, non-certified businesses to become HUB certified
- Participated in Minority/Women, Small Business, and Veteran Business forums
- Participated in the Texas A&M System HUB Coordinators Annual Conference/Meeting
- Actively arranged and sponsored new Mentor Protégé agreements

While these efforts have proven to be worthwhile, over the past several years, the Health Science Center HUB program has struggled to reach its historical goals, due to two unique, but major initiatives; 1) the buildout of the Texas A&M Center for Innovation in Advanced Development and Manufacturing (CIADM), and 2) the mandatory use of the Texas A&M University contract with SSC Service Solutions for facility support services.

CIADM is founded on an initial \$285.6 million public-private partnership with the U.S. Department of Health and Human Services (DHHS) Biomedical Advanced Research and Development Authority (BARDA), and is managed by the Health Science Center. While this represents one of the largest research grants in Texas, the specialized nature of these purchases seriously limits HUB participation.

SSC Service Solutions is the Texas A&M University contractor providing facility maintenance, landscape and grounds maintenance, custodial services, and engineering, design and construction services to our largest campuses. In the past, these services were performed by employees, HUB job order contractors, or competitively bid. The long-term benefits of outsourcing may prove beneficial to the overall goals of the Health Science Center, but currently, it is having an adverse impact on HUB performance.

In spite of these headwinds, with extended outreach to the vendor community, mandatory training of both faculty and staff, and an increase in recognition of HUB subcontracting opportunities, the Health Science Center has grown its percentage of HUB utilization from 7.08 in 2015, to 14.24 in 2017.

There are still challenges, but the Health Science Center is hopeful to return to, and even elevate from, its historical norms. The Health Science Center will continue to seek ways to increase future procurement opportunities, and strengthen HUB participation throughout the university. Please feel free to contact me with any questions or concerns at 979-845-4534 or rbounds@tamu.edu.

Sincerely,

Robby Bounds, C.P.M., CTPM

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